

Swain, T

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

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**IN RE XINHUA FINANCE MEDIA,  
LTD., SEC. LITIG.**

**Master File No. 07-cv-3994 (LTS)**

**STIPULATION AND ~~PROPOSED~~ ORDER APPOINTING LEAD PLAINTIFFS AND  
APPROVING SELECTION OF LEAD COUNSEL**

WHEREAS, Section 21D and Section 27(a) of the Private Securities Litigation Reform Act of 1995 ("PSLRA") provides that in securities class actions, courts "shall appoint as lead plaintiff the member or members of the purported plaintiff class that the court determines to be most capable of adequately representing the interests of class members," 15 U.S.C. § 78u-4(a)(3)(B)(i); 15 U.S.C. § 77z-1(a)(3)(B)(i).

WHEREAS, in accordance with the PSLRA, the "most adequate plaintiff" is the movant who "filed the complaint or made a motion in response," "has the largest financial interest in the relief sought by the class," and "satisfies the requirements of Rule 23 of the Federal Rules of Civil Procedure," 15 U.S.C. § 78u-4(a)(3)(B)(iii)(I); 15 U.S.C. § 77z-1(a)(3)(B)(iii)(I).

WHEREAS, courts in this district have assessed a movant's "financial interest" through an examination of several factors including but not limited to: "(1) the number of shares purchased during the class period; (2) the number of net shares purchased during the class period; (3) the total net funds expended during the class period; and (4) the approximate losses suffered." *Pirelli Armstrong Tire Corp. v. LaBranche & Co., Inc.*, No. 03 Civ. 8264, 2004 WL 1179311, at \*7 (S.D.N.Y. May 27, 2004) (quoting *Lax v. First Merchants Acceptance Corp.*, 1997 WL 461036, at \*5 (N.D.Ill. Aug. 11, 1997));

WHEREAS, the Yen Group, the Li Group, and Delta Partners, LLC each timely moved for appointment as lead plaintiff;

WHEREAS, the Yen Group estimated its total losses at \$119,912.78;

WHEREAS, the Li Group estimated its total losses at \$70,882.79;

WHEREAS, Delta Partners, LLC withdrew its motion on August 3, 2007;

WHEREAS, two independent lead plaintiff movants may join together to help ensure that "adequate resources and experience are available to the prospective class in the prosecution of

this action” and because “[e]mploying a co-lead plaintiff structure here will also provide the proposed class with the substantial benefits of joint decisionmaking,” *Pirelli*, 2004 WL 1179311, at \*22 (citing *In re Oxford Health Plans, Inc. Sec. Litig.*, 182 F.R.D. 42, 45 (S.D.N.Y. 1998);

WHEREAS, the remaining lead plaintiffs movants -- the Yen Group and the Li Group, given their respective large financial stakes in the litigation, have joined to create the “Yen-Li Group” with estimated total losses of \$190,246.57;

WHEREAS, the Yen-Li Group has demonstrated that it satisfies the typicality and adequacy requirements of Fed. R. Civ. P. 23;

WHEREAS, pursuant to 15 U.S.C. § 78u-4(a)(3)(B)(v) and 15 U.S.C. § 77z-14(a)(3)(B)(v), the lead plaintiff shall, subject to Court approval, select and retain counsel to represent the class and the Yin-Li Group has selected the law firms of Kahn Gauthier Swick, LLC (“KGS”) and Bernstein Liebhards & Lifshitz, LLP (“Bernstein Liebhards”), which have substantial experience in the prosecution of shareholder and securities class actions;

THEREFORE, IT IS HEREBY ORDERED, the Yen-Li Group is appointed Lead Plaintiff in the consolidated action, pursuant to Section 21(D)(a)(3)(B) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(3)(B), and Section 27(a)(3)(B) of the Securities Act of 1933, 15 U.S.C. § 77z-1(a)(3)(B), as amended by the PSLRA; and it is further

ORDERED that the Court approves the selection of the law firms of KGS and Bernstein Liebhards as Co-Lead Counsel for the Class, pursuant to Section 21(D)(a)(3)(B) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(3)(B), and Section 27(a)(3)(B) of the Securities Act of 1933, 15 U.S.C. § 77z-1(a)(3)(B), as amended by the PSLRA; and it is further

ORDERED that the oral argument on the motions for lead plaintiff set for August 20, 2007, is hereby vacated.

Dated: August 8, 2007

Respectfully submitted,

KAHN GAUTHIER SWICK, LLC

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*Proposed Co-Lead Counsel for the Class*

BERNSTEIN LIEBHARD & LIFSHITZ, LLP


By /s/ Gregory Egleston *with permission*  
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*Proposed Co-Lead Counsel for the Class*

IT IS SO ORDERED.

New York, New York

August 21, 2007

  
Honorable Laura T. Swain, U.S.D.J. *any*